

EXHIBIT 32

DECLARATION OF BEN FRIEDMAN

I, Ben Friedman, declare as follows:

1. I am the Chief Operating Officer of The Research Foundation for The State University of New York (“RF”), a position I have held since 2024. As Chief Operating Officer, I have oversight of the day-to-day operations of the RF and I work to establish an environment that supports research and discovery across The State University of New York (“SUNY”) system. Prior to holding this position, I was Deputy Undersecretary for Operations at the National Oceanic and Atmospheric Administration.

2. I have direct personal knowledge this declaration’s contents, or indirect knowledge of these matters based on my personal review of information and records gathered by RF and/or SUNY personnel and could testify thereto.

3. I am submitting this declaration because the continued reimbursement of indirect costs at current negotiated rates is critical to support the groundbreaking research that occurs at SUNY. This research, including predicting the precise path of major hurricanes, has the potential to affect and, in many cases, save American lives. NSF’s notice cutting indirect or facilities and administrative (“F&A”) cost rates to 15% (the “Notice”) would end or seriously jeopardize these life-saving research projects.

4. RF is the largest comprehensive university-connected research foundation in the country. It provides essential administrative services that enable SUNY faculty to devote themselves to SUNY’s core mission of educating students and conducting life-changing research. RF was chartered in 1951 by the New York State Board of Regents as a non-profit education corporation. RF writes and submits grant proposals to agencies, foundations, and companies; establishes contracts and manages funding awarded to run campus-based research projects;

protects and commercializes intellectual property created within those projects; and establishes enduring partnerships to advance research and research commercialization.

5. The SUNY System is comprised of 64 colleges and universities, 29 of which are directly operated by the State of New York. Of those 29 state operated campuses, four SUNY campuses are designated R1 research institutions: Binghamton University; Stony Brook University; University at Albany; and University at Buffalo.

6. The RF on behalf of SUNY receives substantial annual funding from the National Science Foundation (“NSF”). There are 23 campuses across SUNY that participate in NSF funded research on both cooperative agreements and grants with total funding of \$21.4 million and \$79.3 million respectively. In the last full fiscal year, we have received \$104.8 million in funding from NSF.

7. The RF on behalf of SUNY will find it more difficult to apply for new NSF funding and/or renewals and continuations of existing funding in the next year and in future years to come. In fact, the University at Buffalo was prepared to submit a proposal in response to NSF 24-561 [Foundations for Digital Twins as Catalyzers of Biomedical Technological Innovation] on May 5, 2025 when the Notice was issued.

8. The funding SUNY receives from NSF supports many varieties of critical and cutting-edge research vital to our nation’s security. Millions of Americans benefit from and depend on this research. For example:

- a. In February 2025, SUNY College of Environmental Science and Forestry (SUNY ESF) received a \$5 million NSF grant for its Global Center for Sustainable Bioproducts, an international research hub dedicated to developing sustainable bio-based solutions for environmental and economic challenges.

The research is a leading international initiative to develop sustainable bioproducts from waste biomass.

- b. SUNY Canton is a lead institution with five other colleges in a grant under the NSF Enabling Partnerships to Increase Innovation Capacity (EPIIC) Program. The grant provides critical support to SUNY Canton in enabling faculty and students to broaden undergraduate students' skills in research, innovation and entrepreneurship and participate in cutting-edge research projects that would not otherwise be available to them.
- c. The NSF Upstate New York Energy Storage Engine (New York), led by Binghamton University, aims to establish a tech-based, industry-driven hub for new battery componentry, sustainable cell manufacturing, material sourcing and recovery, pilot manufacturing and safety testing, applications integration and workforce development. These better and next generation batteries will create American jobs and reduce US dependence on China which manufactures approximately 80% of all ion lithium batteries.
- d. UAlbany, with its advanced [Mesonet](#), is a world leader in atmospheric science and climate research. SUNY Albany researchers have been awarded \$2.4 million as a partner in the NSF AI Institute for Research on *Trustworthy AI in Weather, Climate, and Coastal Oceanography (AI2ES)*, led by the University of Oklahoma, to develop AI-based technologies that will be used to better monitor and predict life and property threatening weather.
- e. A University at Buffalo-led research team has been awarded \$1.9 million grant from the National Science Foundation to develop new high-speed

microelectronics that require less power than traditional silicon-based products. This will make power grids more stable while allowing a growth in AI capacity.

9. Reimbursement of indirect costs is essential for supporting these and every other SUNY's research project supported by NSF. NSF's proposal to cut indirect cost rates to 15% for new awards will preclude renewal of or seriously jeopardize all of the research projects described in paragraph 8 as well as the pursuit of similar future projects under NSF auspices.

10. Indirect costs fund a range of important tasks and personnel, without which SUNY's lifesaving research will undoubtedly suffer. Among the work that is funded by indirect cost payments are workstreams that are required by specific grants, including compliance and financial audits. Additionally, indirect cost payments cover SUNY facilities – they quite literally “keep the lights on” – including, lab space, HVAC, custodial service, security costs, computers, and so on. Without NSF's current financial support of this critical infrastructure, the research simply cannot be done.

11. In addition, indirect costs fund the administration of awards, including staff who ensure compliance with a vast number of regulatory mandates from NSF. These mandates serve many important functions, including ensuring research integrity; protecting research subjects; properly managing and disposing of chemical and biological agents and other materials used in research; managing specialized procurement and security requirements for sensitive research; managing funds; preventing technologies and other sensitive national security information from being inappropriately accessed by foreign adversaries; providing the high level of cybersecurity, data storage, and computing environments mandated for regulated data; ensuring compliance with specialized security protocols and safety standards; maintaining facility accreditation and

equipment calibration to meet research quality and security standards; and preventing financial conflicts of interest.

12. Recovery of indirect costs is based on predetermined rates contractually negotiated with the federal government. The rates for SUNY institutions applicable to NSF awards are based on the rate negotiated with the U.S. Department of Health and Human Services.

13. Binghamton University has, currently, a negotiated rate for indirect costs, namely F&A, of 58% for on-campus research. That rate is scheduled to increase to 58.5% on July 1, 2025, and to 59.5% on July 1, 2026.

14. Stony Brook University has, currently, a negotiated rate for indirect costs, namely F&A, of 59.5% for on-campus research.

15. University at Buffalo has, currently, a negotiated rate for indirect costs, namely F&A, of 61% for on-campus research. That rate is scheduled to decrease to 60.10% on July 1, 2025.

16. University at Albany has, currently, a negotiated rate for indirect costs, namely F&A, of 56.5% for on-campus research.

17. The effects of a reduction in the indirect cost rate to 15% for new awards would be devastating. Of the \$104.8 million in NSF funding that SUNY received between July 1, 2023 and June 30, 2024, approximately \$78.3 million consisted of payment of direct costs, \$1.76 million was received under subcontracts (which are not eligible for overhead recovery), and \$26.54 million consisted of reimbursement of indirect costs. Similarly, in fiscal year 2025, SUNY expects to receive \$79.5 million in NSF funding for direct costs and \$24.6 million in NSF funding for indirect costs. And over the next five years at current funding levels, SUNY anticipates receiving an average of \$79.5 from the NSF for annual direct costs. Based on the predetermined indirect cost

rates of up to 61%, which was agreed upon with the federal government, SUNY institutions collectively expect to receive approximately \$25.5 in indirect cost recovery on an annual basis.

18. If—contrary to what RF has negotiated with the federal government on behalf of SUNY—the indirect cost rate was reduced to 15% for new awards, that would quickly reduce SUNY’s overall anticipated annual indirect cost recovery by \$18 million, to \$7.5 million.

19. The loss of these funds will immediately impact SUNY’s ability to draw critical funds used to pay expenses associated with important research that SUNY institutions conduct (as facilities costs, payroll, human resources, information technology infrastructure used to support research, clinical trials management and support, and other indirect expenses).

20. At least a few of SUNY’s research projects will be forced to slow down or cease abruptly if we cannot apply for renewals above the proposed 15% indirect cost cap. Ending these research programs will not only interrupt critical research projects, but also waste the government’s prior investments.

21. SUNY has for decades relied on the repayment of indirect costs. And until now, we have been able to rely on the well-established process for negotiating indirect cost rates with the government to inform our budgeting and planning. Operating budgets rely on an estimate of both direct and indirect sponsored funding to plan for annual staffing needs (*e.g.*, post-docs, PhD students, and other research staff), infrastructure support (*e.g.*, IT networks, regulatory compliance, and grant management support), and facility and equipment purchases. And in many cases, SUNY institutions have long-term obligations that rely on budgeted grant funding, including associated indirect cost recovery, to fulfill these commitments. This multi-year budgeting process also assumes the availability or possibility of grant renewals at roughly similar terms – and certainly at the negotiated indirect cost rate – as had been previously available.

22. Finally, slowdowns or halts in research by SUNY and other American universities will allow competitor nations that are maintaining their investments in research to surpass the United States on this front, threatening both our Nation's national security and its economic dominance.

23. SUNY institutions cannot cover the funding gap themselves. It is neither feasible nor sustainable to use endowment funds or other revenue sources to offset shortfalls in indirect cost recovery. For example, endowments at SUNY charitable foundations are largely restricted to specific donor-designated purposes, such as scholarships, faculty chairs, and academic programs and therefore cannot be used to cover research infrastructure costs.

25. It is also not feasible or sustainable for RF or SUNY to use other revenue sources to offset shortfalls in indirect cost recovery. As a non-profit organization serving a public institution, RF reinvests nearly all of its revenue into mission-critical activities, leaving little margin to absorb unexpected funding gaps. In other words, unlike for-profit organizations, RF does not generate significant surpluses that could be redirected without impacting core academic priorities such as educational programs and financial aid support for students. Absorbing the cost of a lower indirect cost rate, even if it were possible, would create long-term budget pressures on SUNY institutions—which would in turn force reductions in key investments supporting SUNY's faculty, students, staff, research, and teaching infrastructure, as well as other critical activities needed to maintain SUNY's academic excellence. So even if RF could "cover" some of the indirect costs previously funded by NSF, it could do so only by negatively affecting other critical goals central to its mission.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 7, 2025 at Albany, New York.

/s/Ben Friedman

Ben Friedman